

## FINANCIAL ASPECTS OF RADIO BROADCASTING

(Amounts are given in dollars of the United States of America)

- Australia. Income increased 12% in 1932. It was already sufficient to cover all expenses.
- Austria. The operating company paid an 8% dividend on its stock in 1931 and income increased in 1932.
- Belgium. The broadcasting budget for 1933 was increased from 14,000,000 to 18,000,000 francs because of increased income in 1932.
- Czechoslovakia. Profits for 1933, estimated on results in 1932, will be about \$1,000,000.00.
- Denmark. The income increased over 8% in 1932. The accumulation of surplus is embarrassing to radio officials as the broadcasting system is fully developed and the law prohibits the use of broadcasting income for purposes other than broadcasting.
- Finland. The income increased 9% in 1931 and was still increasing in 1932. It was already ample to cover the expense and a satisfactory return on the investment.
- Formosa. The income increased in 1932. No deficit reported.
- Germany. The income decreased about 1% in 1932 because the unemployed were exempted from paying license fees for radio receivers. The number of licensed receivers increased. The Government has taken over the operation of broadcasting and directly controls radio manufacturing and sales.
- Great Britain. Income in 1931 was over \$7,000,000.00. The Government retained about \$2,625,000.00. The balance covered operating expense and a satisfactory return on money invested. The operating company voluntarily paid into the national treasury \$1,000,000.00 from a balance put aside for future development. The income increased in 1932.
- Holland. Broadcasting is supported entirely by voluntary contributions. There is no advertising revenue and no license fees are charged. The surplus of income over expenses is more than \$450,000.00 yearly. More than 275,000 subscribers pay for program service over wires although the same programs can be received by radio.
- Hungary. The income increased 8% in 1931-32. Income has been more than sufficient to cover expenses since 1896, when broadcasting began over telephone circuits.
- Iceland. The Government contributes \$20,000.00 yearly to supplement the income from listeners' license fees. This is not considered as a deficit but as a service to the citizens.
- India. The private operating company went bankrupt. The Government is now operating broadcasting and income is increasing.

Italy. The income increased 10% in 1932. It was already ample to cover all expenses.

Lithuania. The Government contributes \$15,000.00 annually to supplement the income from listeners' license fees. This is not regarded as a deficit but as a service to the citizens.

New Zealand. The income is sufficient and is increasing.

Norway. The income increased in 1932. The Government has taken over the broadcasting system.

Poland. The operating company continues to make profits.

Rumania. The income increased 42% in 1932.

Sweden. The income is increasing. Stockholders receive 7% dividends.

United States of America. Total value of broadcasting stations, \$47,879,249.24. This includes "good will" valued at \$18,264,215.51. Gross income, 1931, \$77,758,048.79. Gross expenses, 1931, \$77,995,405.68. Aggregate loss, 1931, \$237,356.89. (Mr. Henry A. Bellows, representing the National Association of Broadcasters, states that these official figures showing income and expense are incorrect, and that the actual aggregate loss was \$1,232,817.96. He also testified: "Nobody can question the fact that the calendar year 1932 was even less satisfactory...than 1931, and there are few people rash enough to predicate their budgets on any material increase of business during 1933.") Estimated investment of listeners in 16,679,253 receiving sets, approximately \$1,000,000,000.00. Amount paid by listeners annually for electric current for receiving sets, approximately \$141,773,650.50.

Yugoslavia. The income increased over 72% in the first five months of 1932.

#### Expense of Administration

Europe. The International Broadcasting Union performs functions for European broadcasting similar to the functions of the Federal Radio Commission in the United States of America. The budget of the Union is about \$30,000.00 annually.

United States of America. Federal Radio Commission budget, 1931, \$444,179.94. 1932, \$454,197.79. 1933, about \$640,000.00. Approximately one-half of these amounts is expended for the regulation of broadcasting.

International Telegraph Bureau, Berne, Switzerland, coordinates the telegraph, telephone and radio services of the world and its budget is approximately \$50,000.00 annually.

#### Expense of Litigation

United States of America. The expense of broadcasters for lawsuits to secure, protect or increase their privileges in the public radio channels is estimated at more than \$600,000.00 annually. The expense to tax payers in

connection with lawsuits in the courts has not been compiled.

Other Countries. No law-suits have been reported. The International Broadcasting Union states that there have been none in Europe.

#### Sources of Income

In all countries which report profits from broadcasting, advertising is prohibited or limited. Where there is income from advertising, this is but a small proportion of the total income. Only in the United States of America, which reports the largest loss, are the broadcasting companies dependent on advertising for their income.

#### The Average Listener's License Fee

Forty-seven countries are known to collect license fees from radio listeners. Based on the maximum fee in each country, the average fee is \$4.44 per year. Many countries, however, provide satisfactory broadcasting service for less than the average listener's license fee. The fee in Canada is \$2.00 per year; in Belgium, \$0.65; in Denmark, \$2.68; in Great Britain, \$2.43; in Czechoslovakia \$3.60; in Yugoslavia \$3.96.

#### How This Information Was Obtained

The Department of State of the United States of America gave to a representative of the National Committee on Education by Radio (appointed by the United States Commissioner of Education) a letter of introduction to officials of the Department in other countries. This representative visited 35 countries in 1931. Officials of the Department of State introduced him to officials in these countries. Written reports of his interviews were submitted to these officials. Corrections suggested by them were made. In 1932 the representative of the National Committee on Education by Radio attended the International Telegraphic and Radiotelegraphic Conference in Madrid, Spain. There he interviewed officials of 77 countries. Written reports of these interviews were submitted to these officials. Corrections suggested by them were made. The representative of the National Committee has also visited each of the 48 States in the United States of America to gather information on broadcasting.

#### Official Documents Available

The following official documents of the United States of America, from which some of the foregoing information has been taken, may be seen on request to Mr. Armstrong Perry, Counsel of the National Committee on Education by Radio, The Swastika, Orizaba 80, Mexico, D. F.:

Congressional Record, February 18, 1932.

Radio Markets of the World, 1932.

Sixth Annual Report of the Federal Radio Commission, 1932.

Fees for Radio Licenses, 1933.

Commercial Radio Advertising, 1932.



ASSOCIATION OF COLLEGE AND UNIVERSITY BROADCASTING STATIONS  
B. B. Brackett, Vermillion, S. Dak.,  
Secretary-Treasurer

CASH ACCOUNT FROM JUNE 8, 1931 to JUNE 3, 1932.

Cash Received

1931			
June 9	Cash on hand from previous year - - - - -	\$303.50	
Dec. 21	Dues from WSUI, Iowa City, Iowa - - - - -	10.00	
1932			
Feb. 27	Dues from WCAT, Rapid City, S. Dak. - - - - -	10.00	
Feb. 29	Dues from WCAL, Northfield, Minn. - - - - -	9.95	
Feb. 29	Dues from WEA1, Ithaca, New York - - - - -	9.95	
Mar. 2	Dues from KFMJ, Grand Forks, N. D. - - - - -	10.00	
Mar. 8	Dues from KFDY, Brookings, S. Dak. - - - - -	10.00	
Mar. 8	Dues from WNAD, Norman, Oklahoma - - - - -	10.00	
Mar. 8	Dues from WHAZ, Troy, New York - - - - -	10.00	
Mar. 11	Dues from WCAC, Storrs, Conn. - - - - -	9.95	
Mar. 11	Dues from WHAD, Milwaukee, Wisconsin - - - - -	9.95	
Mar. 12	Dues from KOB, State College, New Mexico - - - - -	9.95	
Mar. 25	Dues from WHA, Madison, Wisconsin - - - - -	9.95	
Mar. 25	Dues from WDBJ, Blacksburg, Virginia - - - - -	9.95	
Mar. 25	Dues from WRUF, Gainesville, Florida - - - - -	9.95	
Mar. 30	Dues from WBAA, Lafayette, Indiana - - - - -	9.95	
Apr. 6	Dues from KFMX, Northfield, Minnesota - - - - -	9.95	
Apr. 6	Dues from WRAO, Columbus, Ohio - - - - -	9.95	
Apr. 18	Dues from WMAQ, Univ. of Chicago, Associate - - - - -	6.95	
Apr. 18	Dues from KWSO, Pullman, Washington - - - - -	9.95	
May 5	Dues from WOAS, Lincoln, Nebraska - - - - -	9.95	
May 18	Dues from KFKU, Lawrence, Kansas - - - - -	9.95	
June 1	Dues from WOI, Ames, Iowa - - - - -	9.95	
June 1	Dues from KUSD, Vermillion, S. D. - - - - -	9.95	
	Total Received - - - - -	\$529.65	

Expenses

1931			
June 23	Express on packages sent to Executive Sec'y -	\$0.62	
Dec. 31	Doris Anderson, Typing - - - - -	1.50	
1932			
Feb. 5	Bill for letter paper and printing - - - - -	11.00	
Feb. 27	Doris Anderson, typing - - - - -	5.00	
Mar. 25	Bill for letter paper and printing - - - - -	8.50	
June 3	Doris Anderson, typing - - - - -	2.50	
	Total Expended - - - - -	\$29.12	

June 3	On deposit at First National Bank and Trust Company of Vermillion, S. Dak.	\$500.53
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		\$529.65

Association of College and University Broadcasting Stations.  
B.B.Brackett, Secretary-Treasurer, Vermillion, S. Dakota.

Cash account from June 3, 1932 to June 20, 1933.

Cash Received.

1932			
June 3	Cash on hand from previous year - - - - -	\$500.53	
July 5	Dues from WILL, Urbana, Ill., for previous year - -	9.95	
July 5	Dues from KOAC, Corvallis, Wash. Ore " " - -	9.95	
Dec. 13	Dues from WSUI, Iowa City, Ia., for present year-	9.95	
Dec. 19	Dues from WCAT, Rapid City, S.D., " " "	9.95	
Dec. 19	Dues from WHAZ, Troy, N.Y., " " "	9.95	
Dec. 27	Dues from WESG, Ithaca, N.Y., " " "	9.95	
Dec. 27	Dues from KFJH, Grand Forks, N.D. " " "	10.00	
Dec. 27	Dues from WCAC, Storrs, Conn. " " "	9.95	
Dec. 27	Dues from WDAY, Associate, Fargo, N.D., " " "	4.95	
1933			
Jan. 17	Dues from KOAC, Corvallis, Ore., for " " "	9.95	
Jan. 26	Dues from WCAJ, Lincoln, Neb., " " "	9.95	
Jan. 28	Dues from WNAD, Norman, Okla. " " "	9.95	
Jan. 31	Dues from KWSC, Pullman, Wash. " " "	9.95	
Feb. 16	Dues from KFKU, Lawrence, Kans. " " "	9.95	
Feb. 21	Dues from WSJ, Grove City, Pa., " " "	9.95	
Feb. 24	Dues from WRUF, Gainesville, Fla., " " "	9.95	
Mar. 1	Dues from KFDY, Brookings, S.D., " " "	9.95	
Mar. 18	Dues from WOI, Ames, Ia., " " "	9.95	
Mar. 23	Dues from WBAA, Lafayette, Ind., " " "	9.95	
Mar. 23	Dues from KUSD, Vermillion, S.D., " " "	9.95	
May 2	Dues from WBAO, Columbus, Ohio, " " "	9.95	
	Total	\$704.53	

Dues for WILL were sent directly to T.M.Beaird, Norman, Okla., and were used in mailing bulletins. This makes the real total \$714.53.

Expenditures.

1932		
June 8	T.M.Beaird via W.U.telegraph. \$319.45 plus charges	\$323.34
June 19	B.B.Brackett for telegram and stamps - - - - -	1.00
Aug. 24	Peerless Printing Co., Norman, Okla., letter forms,	24.45
Dec. 23	Mrs. Doris Anderson, typing - - - - -	5.00
1933		
May 2	Mrs. Doris Anderson, typing - - - - -	5.35
May 6	T.M.Beaird via W.U.telegraph, \$312.92 plus charges,	314.00
June 13	J.P.Wright for phone, telegraph and misc. expense,	15.05
June 14	B.B.Brackett for phone, telegraph and postage odds,	4.65
June 20	Bal. at First National Bank and Trust Co., Vermillion,	11.69
	Total	\$704.53

or with the remittance sent from WILL to Beaird, \$714.53.

*July 30, 1933, WHA, inc. of WISOPR. 1932-3 dues \$49.95*



ATTENDANCE LIST  
Kansas City, September 10 and 11

NAME	INSTITUTION	CALL LETTERS	LOCAL ADDRESS
G. W. Traughiser ?	Unity School	W02	Kansas City, Mo.
Harry Edwards	University of Oklahoma	WNAD	Norman, Oklahoma
Homer Heck	University of Oklahoma	WNAD	Norman, Oklahoma
H. B. Summers	Kansas State College	KSAC	Manhattan, Kansas
J. B. Wiley	University of Oklahoma	WNAD	Norman, Oklahoma
R. C. Higgy	Ohio State University	WOSU	Columbus, Ohio
C. L. Farrar	University of Oklahoma	WNAD	Norman, Oklahoma
W. A. Knapp	Purdue University	WBAA	West Lafayette, Ind.
L. L. Longsdorf	Kansas State College	KSAC	Manhattan, Kansas
Carl Menzer	Iowa State University	WSUI	Iowa City, Iowa
Frank F. Nalder	State College of Washington	KWSC	Pullman, Washington
Frank E. Schooley	University of Illinois	WILL	Urbana, Illinois
W. E. Phillips	University of Illinois	WILL	Urbana, Illinois
Tragy F. Tyler	National Committee on Education by Radio		Washington, D. C.
Andrew Hopkins	University of Wisconsin	WHA	Madison, Wisconsin
B. B. Brackett	Univ. of South Dakota	KUSD	Vermillion, South Dakota
H. M. Armstrong	University of Oklahoma	WNAD	Norman, Oklahoma
Herman James	Univ. of South Dakota	KUSD	Vermillion, South Dakota
Mrs. F. F. Nalder			Pullman, Washington
Mrs. L. L. Longsdorf			Manhattan, Kansas
Gladys Baker	University of Kansas	KFKU	Lawrence, Kansas
Harold Ingham	University of Kansas	KFKU	Lawrence, Kansas
Theodore Diers	University of Nebraska	KFAB	Lincoln, Nebraska

NAME	INSTITUTION	CALL LETTERS	ADDRESS
P. H. Montgomery	Iowa State University	WOI	Ames, Iowa
John R. Lewis	Iowa State	WOI	Ames, Iowa
Armstrong Perry	NCER		New York City
C. A. Taylor	Cornell University	WESG	Ithaca, New York
T. M. Beard	University of Oklahoma	WNAD	Norman, Oklahoma

Scanned from the National Association of Educational Broadcasters Records  
at the Wisconsin Historical Society as part of  
"Unlocking the Airwaves: Revitalizing an Early Public and Educational Radio Collection."



A collaboration among the Maryland Institute for Technology in the Humanities,  
University of Wisconsin-Madison Department of Communication Arts,  
and Wisconsin Historical Society.

Supported by a Humanities Collections and Reference Resources grant from  
the National Endowment for the Humanities



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